Table A1. Description of the boards

Years	No. of firms	No. of board members	No. of executive board m.	No. of executives (*Exucomp*)	No. of firms whose NED are ED elsewhere*	No. of firms whose ED are NED elsewhere*	No of firms in: 2-cycles	3-cycles	4-cycles	>4-cycles	Delayed 2-cycles
1990	2167	6051	2450	.	432	375	40	3	3	0	0
1991	2253	6617	2603	.	478	413	35	5	0	4	0
1992	2329	7279	2779	8045	555	466	47	5	3	4	1
1993	2468	8191	3023	9821	637	524	42	5	4	11	1
1994	2566	9070	3216	10689	688	579	49	5	2	2	3
1995	2632	9959	3392	11142	704	605	59	9	0	10	3
1996	2714	10902	3547	11686	769	640	68	8	0	0	6
1997	2744	11915	3698	12056	812	688	69	12	0	0	9
1998	2769	12871	3831	12649	821	711	76	8	0	0	17
1999	2787	13733	3903	12204	816	707	75	4	0	1	15
2000	2769	14132	3799	11540	792	701	64	11	3	7	14
2001	2751	14552	3782	11384	789	692	57	6	0	12	21
2002	2747	14845	3726	11559	773	685	42	3	0	15	18
2003	2727	15123	3530	11816	720	680	33	8	0	2	21
2004	2701	15292	3408	10903	708	685	38	8	0	4	19
2005	2662	15274	3262	9388	664	672	22	8	0	5	12
2006	2623	15216	3130	10965	613	647	18	10	0	0	12
2007	2571	14919	2977	12561	592	618	12	12	1	0	10
2008	2548	14784	2859	12023	589	599	10	6	0	0	10
2009	2540	14709	2779	11460	546	571	10	6	0	0	8
2010	2524	14654	2728	11088	543	582	12	6	0	0	6
2011	2504	14508	2668	10834	547	580	12	3	0	0	8
2012	2479	14420	2585	10602	532	578	12	3	0	0	8
2013	2470	14385	2544	10369	517	556	6	0	0	0	9
2014	2464	14397	2513	9977	515	557	4	0	0	0	6
2015	2455	14378	2470	8872	505	539	2	0	0	0	4
All	66964	332176	81202	263633	16657	15650	914	154	16	77	241
Distinct indiv. or firms	3395	31852	10087	45288	1993	1828	198	46	13	54	45

Note: Delayed 2-cycles exclude delayed 2-cycles which were former 2-cycles.
* ED: executive director; NED: non-executive director.

Table A2. Descriptive statistics

	Mean	Std. Error	Min.	Q1	Median	Q3	Max.	No. of obs.
Fixed salary *($sinh^{-1}(x)$)*	6.682	0.0015	0.000	6.350	6.695	7.09	9.9	263627
Bonus *($sinh^{-1}(x)$)*	5.328	0.0051	-6.851	4.855	6.091	6.98	12.7	263627
(Bonus/Fixed salary)*	0.848	0.0021	0.000	0.228	0.585	1.05	7.0	262612
Total cash *($sinh^{-1}(x)$)*	7.201	0.0019	0.000	6.682	7.167	7.72	12.7	263624
Stock options *($sinh^{-1}(x)$)*	4.413	0.0071	0.000	0.000	5.782	7.21	14.3	239511
Equity pay (stock options + shares) *($sinh^{-1}(x)$)*	5.879	0.0063	0.000	5.214	6.822	7.92	15.2	239400
Total pay *($sinh^{-1}(x)$)*	7.905	0.0022	0.000	7.153	7.843	8.61	15.2	263556
CEO	0.158	0.0007	0.000	0.000	0.000	0.00	1.0	263633
Other executive board member	0.141	0.0007	0.000	0.000	0.000	0.00	1.0	263633
Number of top executives in the firm	6.105	0.0029	1.000	5.000	6.000	7.00	18.0	263633
Assets *($sinh^{-1}(x)$)*	8.458	0.0035	0.001	7.179	8.336	9.62	15.8	262297
Equity *($sinh^{-1}(x)$)*	7.087	0.0053	-12.153	6.329	7.297	8.39	13.1	262302
Sales *($sinh^{-1}(x)$)*	8.061	0.0033	-9.178	6.991	8.007	9.14	13.8	262159
Operating income *($sinh^{-1}(x)$)*	3.655	0.0084	-12.295	3.394	4.939	6.25	12.0	262209
Operating income<=0	0.175	0.0007	0.000	0.000	0.000	0.00	1.0	262209
Increase in operating income since t-1	-0.034	0.0077	-21.854	-0.277	0.099	0.44	21.7	260722
3-year - coefficient of variation of operating income‡	0.163	0.0045	-12.062	0.063	0.190	0.46	11.5	257399
ROE (Operating income / Equity)‡	0.295	0.0009	0.000	0.000	0.000	1.00	1.0	263633
Private firm	0.080	0.0007	-2.063	0.043	0.110	0.17	1.6	262191
Board size	7.894	0.0065	1.000	6.000	8.000	10.00	31.0	245257
At least one NED is ED elsewhere#	0.328	0.0009	0.000	0.000	0.000	1.00	1.0	245257
At least one ED is NED elsewhere#	0.320	0.0009	0.000	0.000	0.000	1.00	1.0	245257
Restricted exchange	0.018	0.0003	0.000	0.000	0.000	0.00	1.0	245257
Delayed exchange	0.004	0.0001	0.000	0.000	0.000	0.00	1.0	245257
Generalized exchange	0.005	0.0001	0.000	0.000	0.000	0.00	1.0	245257

Note: For calculating "quasi-logs" of variables that can be negative or null, we use the inverse hyperbolic sine: $sinh^{-1}(x))=log(x+(x^2+1)^{0.5})$.

* Winsorized at P=0.99

‡ Winsorized at P=0.01 and P=0.99

ED: executive director; NED: non-executive director.